

By Senator Dudley

315-963-98

1 A bill to be entitled
2 An act relating to rulemaking authority of the
3 Department of Business and Professional
4 Regulation; amending s. 718.112, F.S.;
5 providing requirements relating to association
6 meetings; amending s. 718.301, F.S.; providing
7 rulemaking authority for requirements relating
8 to the transition of a condominium; amending s.
9 718.501, F.S.; providing rulemaking authority
10 for requirements relating to the creation,
11 merger, and termination of condominiums;
12 providing rulemaking authority for requirements
13 relating to the dissolution of condominium
14 associations; amending s. 718.502, F.S.;
15 providing certain requirements prior to the
16 closure on any contract for sale or lease of
17 over 5 years; providing rulemaking authority
18 for requirements relating to filing and review
19 programs and timetables; substituting the term
20 "buyer" for the term "purchaser"; amending s.
21 718.503, F.S.; providing requirements relating
22 to the closure of a transaction for the
23 purchase of a condominium unit; substituting
24 the term "buyer" for the term "purchaser";
25 amending s. 718.504, F.S.; substituting the
26 term "buyer" for the term "purchaser"; amending
27 s. 718.506, F.S.; substituting the term "buyer"
28 for the term "purchaser"; creating s. 718.621,
29 F.S.; providing rulemaking authority for
30 requirements relating to condominium
31 conversion; providing an effective date.

1 Be It Enacted by the Legislature of the State of Florida:

2

3 Section 1. Paragraphs (b) and (c) of subsection (2) of
4 section 718.112, Florida Statutes, are amended to read:

5 718.112 Bylaws.--

6 (2) REQUIRED PROVISIONS.--The bylaws shall provide for
7 the following and, if they do not do so, shall be deemed to
8 include the following:

9 (b) Quorum; voting requirements; proxies.--

10 1. Unless a lower number is provided in the bylaws,
11 the percentage of voting interests required to constitute a
12 quorum at a meeting of the members shall be a majority of the
13 voting interests. Unless otherwise provided in this chapter
14 or in the declaration, articles of incorporation, or bylaws,
15 and except as provided in subparagraph (d)3., decisions shall
16 be made by owners of a majority of the voting interests
17 represented at a meeting at which a quorum is present.

18 2. Except as specifically otherwise provided herein,
19 after January 1, 1992, unit owners may not vote by general
20 proxy, but may vote by limited proxies substantially
21 conforming to a limited proxy form adopted by the division.
22 Limited proxies and general proxies may be used to establish a
23 quorum. Limited proxies shall be used for votes taken to
24 waive or reduce reserves in accordance with subparagraph
25 (f)2.; for votes taken to waive financial statement
26 requirements as provided by s. 718.111(14); for votes taken to
27 amend the declaration pursuant to s. 718.110; for votes taken
28 to amend the articles of incorporation or bylaws pursuant to
29 this section; and for any other matter for which this chapter
30 requires or permits a vote of the unit owners. Except as
31 provided in paragraph (d), after January 1, 1992, no proxy,

1 limited or general, shall be used in the election of board
2 members. General proxies may be used for other matters for
3 which limited proxies are not required, and may also be used
4 in voting for nonsubstantive changes to items for which a
5 limited proxy is required and given. Notwithstanding the
6 provisions of this subparagraph, unit owners may vote in
7 person at unit owner meetings. Nothing contained herein shall
8 limit the use of general proxies or require the use of limited
9 proxies for any agenda item or election at any meeting of a
10 timeshare condominium association.

11 3. Any proxy given shall be effective only for the
12 specific meeting for which originally given and any lawfully
13 adjourned meetings thereof. In no event shall any proxy be
14 valid for a period longer than 90 days after the date of the
15 first meeting for which it was given. Every proxy is
16 revocable at any time at the pleasure of the unit owner
17 executing it.

18 4. A member of the board of administration or a
19 committee may join by written concurrence in any action taken
20 at a meeting of the board or committee, but such concurrence
21 may not be used for the purposes of creating a quorum.

22 5. When any of the board or committee members meet by
23 telephone conference, those board or committee members
24 attending by telephone conference may be counted toward
25 obtaining a quorum and may vote by telephone. A telephone
26 speaker must be used so that the conversation of those board
27 or committee members attending by telephone may be heard by
28 the board or committee members attending in person as well as
29 by any unit owners present at a meeting.

30 (c) Board of administration meetings.--Meetings of the
31 board of administration at which a quorum of the members is

1 present shall be open to all unit owners. Any unit owner may
2 tape record or videotape meetings of the board of
3 administration. The right to attend such meetings includes
4 the right to speak at such meetings with reference to all
5 designated agenda items. The division shall adopt reasonable
6 rules governing the tape recording and videotaping of the
7 meeting. The association may adopt written reasonable rules
8 governing the frequency, duration, and manner of unit owner
9 statements. Adequate notice of all meetings, which notice
10 shall specifically incorporate an identification of agenda
11 items, shall be posted conspicuously on the condominium
12 property at least 48 continuous hours preceding the meeting
13 except in an emergency. Any item not included on the notice
14 may be taken up on an emergency basis by at least a majority
15 plus one of the members of the board. Such emergency action
16 shall be noticed and ratified at the next regular meeting of
17 the board. However, written notice of any meeting at which
18 nonemergency special assessments, or at which amendment to
19 rules regarding unit use, will be considered shall be mailed
20 or delivered to the unit owners and posted conspicuously on
21 the condominium property not less than 14 days prior to the
22 meeting. Evidence of compliance with this 14-day notice shall
23 be made by an affidavit executed by the person providing the
24 notice and filed among the official records of the
25 association. Upon notice to the unit owners, the board shall
26 by duly adopted rule designate a specific location on the
27 condominium property or association property upon which all
28 notices of board meetings shall be posted. If there is no
29 condominium property or association property upon which
30 notices can be posted, notices of board meetings shall be
31 mailed or delivered at least 14 days before the meeting to the

1 owner of each unit. Notice of any meeting in which regular
2 assessments against unit owners are to be considered for any
3 reason shall specifically contain a statement that assessments
4 will be considered and the nature of any such assessments.
5 Meetings of a committee to take final action on behalf of the
6 board or make recommendations to the board regarding the
7 association budget are subject to the provisions of this
8 paragraph. Meetings of a committee that does not take final
9 action on behalf of the board or make recommendations to the
10 board regarding the association budget are subject to the
11 provisions of this section, unless those meetings are exempted
12 from this section by the bylaws of the association.
13 Notwithstanding any other law, the requirement that board
14 meetings and committee meetings be open to the unit owners is
15 inapplicable to meetings between the board or a committee and
16 the association's attorney, with respect to proposed or
17 pending litigation, when the meeting is held for the purpose
18 of seeking or rendering legal advice.

19 Section 2. Subsection (6) is added to section 718.301,
20 Florida Statutes, to read:

21 718.301 Transfer of association control.--

22 (6) The division may adopt rules governing the
23 transition from developer control of a condominium to the
24 establishment of a unit-owner controlled association.

25 Section 3. Subsection (2) of section 718.501, Florida
26 Statutes, is amended to read:

27 718.501 Powers and duties of Division of Florida Land
28 Sales, Condominiums, and Mobile Homes.--

29 (2)(a) Effective January 1, 1992, each condominium
30 association which operates more than two units shall pay to
31 the division an annual fee in the amount of \$4 for each

1 residential unit in condominiums operated by the association.
2 If the fee is not paid by March 1, then the association shall
3 be assessed a penalty of 10 percent of the amount due, and the
4 association will not have standing to maintain or defend any
5 action in the courts of this state until the amount due, plus
6 any penalty, is paid.

7 (b) The division may by rule establish timeframes for
8 and require information relating to the creation, merger, and
9 termination of condominiums and the merger and dissolution of
10 condominium associations.

11 (c)~~(b)~~ All fees shall be deposited in the Division of
12 Florida Land Sales, Condominiums, and Mobile Homes Trust Fund
13 as provided by law.

14 Section 4. Subsections (1), (2), and (3) of section
15 718.502, Florida Statutes, are amended to read:

16 718.502 Filing prior to sale or lease.--

17 (1)(a) A developer of a residential condominium or
18 mixed-use condominium shall file with the division one copy of
19 each of the documents and items required to be furnished to a
20 buyer or lessee by ss. 718.503 and 718.504, if applicable.
21 Until the developer has so filed, a contract for sale of a
22 unit or lease of a unit for more than 5 years shall be
23 voidable by the buyer ~~purchaser~~ or lessee prior to the closing
24 of his or her purchase or lease of a unit.

25 (b) A developer may not close on any contract for sale
26 or contract for a lease period of more than 5 years until the
27 developer prepares and files with the division documents
28 complying with the requirements of this chapter and the rules
29 adopted by the division and until the division notifies the
30 developer that the filing is proper and the developer prepares

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1 and delivers all documents required by section 718.503(1)(b)
2 to the prospective buyer.

3 (c) The division may by rule develop filing and review
4 requirements and relevant timetables necessary to ensure
5 compliance with the notice and disclosure requirements of this
6 chapter.

7 (2)(a) Prior to filing as required by subsection (1),
8 and prior to acquiring an ownership, leasehold, or contractual
9 interest in the land upon which the condominium is to be
10 developed, a developer shall not offer a contract for purchase
11 of a unit or lease of a unit for more than 5 years. However,
12 the developer may accept deposits for reservations upon the
13 approval of a fully executed escrow agreement and reservation
14 agreement form properly filed with the Division of Florida
15 Land Sales, Condominiums, and Mobile Homes. Each filing of a
16 proposed reservation program shall be accompanied by a filing
17 fee of \$250. Reservations shall not be taken on a proposed
18 condominium unless the developer has an ownership, leasehold,
19 or contractual interest in the land upon which the condominium
20 is to be developed. The division shall notify the developer
21 within 20 days of receipt of the reservation filing of any
22 deficiencies contained therein. Such notification shall not
23 preclude the determination of reservation filing deficiencies
24 at a later date, nor shall it relieve the developer of any
25 responsibility under the law. The escrow agreement and the
26 reservation agreement form shall include a statement of the
27 right of the prospective buyer ~~purchaser~~ to an immediate
28 unqualified refund of the reservation deposit moneys upon
29 written request to the escrow agent by the prospective buyer
30 ~~purchaser~~ or the developer.

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1 (b) The executed escrow agreement signed by the
2 developer and the escrow agent shall contain the following
3 information:

4 1. A statement that the escrow agent will grant a
5 prospective buyer ~~purchaser~~ an immediate, unqualified refund
6 of the reservation deposit moneys upon written request either
7 directly to the escrow agent or to the developer.

8 2. A statement that the escrow agent is responsible
9 for not releasing moneys directly to the developer except as a
10 down payment on the purchase price at the time a contract is
11 signed by the buyer ~~purchaser~~ if provided in the contract.

12 (c) The reservation agreement form shall include the
13 following:

14 1. A statement of the obligation of the developer to
15 file condominium documents with the division prior to entering
16 into a binding purchase agreement or binding agreement for a
17 lease of more than 5 years.

18 2. A statement of the right of the prospective buyer
19 ~~purchaser~~ to receive all condominium documents as required by
20 this chapter.

21 3. The name and address of the escrow agent.

22 4. A statement as to whether the developer assures
23 that the purchase price represented in or pursuant to the
24 reservation agreement will be the price in the contract for
25 purchase and sale or that the price represented may be
26 exceeded within a stated amount or percentage or that no
27 assurance is given as to the price in the contract for
28 purchase or sale.

29 5. A statement that the deposit must be payable to the
30 escrow agent and that the escrow agent must provide a receipt
31 to the prospective buyer ~~purchaser~~.

1 (3) Upon filing as required by subsection (1), the
2 developer shall pay to the division a filing fee of \$20 for
3 each residential unit to be sold by the developer which is
4 described in the documents filed. If the condominium is to be
5 built or sold in phases, the fee shall be paid prior to
6 offering for sale units in any subsequent phase. Every
7 developer who holds a unit or units for sale in a condominium
8 shall submit to the division any amendments to documents or
9 items on file with the division and deliver to buyers
10 ~~purchasers~~ all amendments prior to closing, but in no event,
11 later than 10 days after the amendment. Upon filing of
12 amendments to documents currently on file with the division,
13 the developer shall pay to the division a filing fee of up to
14 \$100 per filing, with the exact fee to be set by division
15 rule.

16 Section 5. Section 718.503, Florida Statutes, is
17 amended to read:

18 718.503 Developer disclosure prior to sale;
19 nondeveloper unit owner disclosure prior to sale;
20 voidability.--

21 (1) DEVELOPER DISCLOSURE.--

22 (a) Contents of contracts.--Any contract for the sale
23 of a residential unit or a lease thereof for an unexpired term
24 of more than 5 years shall:

25 1. Contain the following legend in conspicuous type:
26 THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN
27 NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER
28 THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND
29 RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED
30 TO HIM OR HER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA
31 STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY

1 DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL
2 WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF
3 ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING
4 IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED
5 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT.
6 BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE
7 THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS
8 REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL
9 TERMINATE AT CLOSING.

10 2. Contain the following caveat in conspicuous type on
11 the first page of the contract: ORAL REPRESENTATIONS CANNOT
12 BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE
13 DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE
14 MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION
15 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A
16 BUYER OR LESSEE.

17 3. If the unit has been occupied by someone other than
18 the buyer, contain a statement that the unit has been
19 occupied.

20 4. If the contract is for the sale or transfer of a
21 unit subject to a lease, include as an exhibit a copy of the
22 executed lease and shall contain within the text in
23 conspicuous type: THE UNIT IS SUBJECT TO A LEASE (OR
24 SUBLEASE).

25 5. If the contract is for the lease of a unit for a
26 term of 5 years or more, include as an exhibit a copy of the
27 proposed lease.

28 6. If the contract is for the sale or lease of a unit
29 that is subject to a lien for rent payable under a lease of a
30 recreational facility or other commonly used facility, contain
31 within the text the following statement in conspicuous type:

1 THIS CONTRACT IS FOR THE TRANSFER OF A UNIT THAT IS SUBJECT TO
2 A LIEN FOR RENT PAYABLE UNDER A LEASE OF COMMONLY USED
3 FACILITIES. FAILURE TO PAY RENT MAY RESULT IN FORECLOSURE OF
4 THE LIEN.

5 7. State the name and address of the escrow agent
6 required by s. 718.202 and state that the buyer ~~purchaser~~ may
7 obtain a receipt for his or her deposit from the escrow agent
8 upon request.

9 8. If the contract is for the sale or transfer of a
10 unit in a condominium in which timeshare estates have been or
11 may be created, contain within the text in conspicuous type:
12 UNITS IN THIS CONDOMINIUM ARE SUBJECT TO TIMESHARE ESTATES.
13 The contract for the sale of a fee interest in a timeshare
14 estate shall also contain, in conspicuous type, the following:
15 FOR THE PURPOSE OF AD VALOREM TAXES OR SPECIAL ASSESSMENTS
16 LEVIED BY TAXING AUTHORITIES AGAINST A FEE INTEREST IN A
17 TIMESHARE ESTATE, THE MANAGING ENTITY IS GENERALLY CONSIDERED
18 THE TAXPAYER UNDER FLORIDA LAW. YOU HAVE THE RIGHT TO
19 CHALLENGE AN ASSESSMENT BY A TAXING AUTHORITY RELATING TO YOUR
20 TIMESHARE ESTATE PURSUANT TO THE PROVISIONS OF CHAPTER 194,
21 FLORIDA STATUTES.

22 (b) Copies of documents to be furnished to prospective
23 buyer or lessee.--Until such time as the developer has
24 furnished the documents listed below to a person who has
25 entered into a contract to purchase a residential unit or
26 lease it for more than 5 years, the contract may be voided by
27 that person, entitling the person to a refund of any deposit
28 together with interest thereon as provided in s. 718.202. The
29 contract may be terminated by written notice from the proposed
30 buyer or lessee delivered to the developer within 15 days
31 after the buyer or lessee receives all of the documents

1 required by this section. The developer may not close for 15
2 days following the execution of the agreement and delivery of
3 the documents to the buyer as evidenced by a signed Receipt
4 for Documents, unless the buyer is informed of the 15-day
5 voidability period and agrees to close before the expiration
6 of the 15 days. The developer shall retain in its records, for
7 5 years after the closing date, proof of buyer's agreement to
8 close before the expiration of the voidability period.The
9 documents to be delivered to the prospective buyer are the
10 prospectus or disclosure statement with all exhibits, if the
11 development is subject to the provisions of s. 718.504, or, if
12 not, then copies of the following which are applicable:
13 1. The question and answer sheet described in s.
14 718.504, and declaration of condominium, or the proposed
15 declaration if the declaration has not been recorded, which
16 shall include the certificate of a surveyor approximately
17 representing the locations required by s. 718.104.
18 2. The documents creating the association.
19 3. The bylaws.
20 4. The ground lease or other underlying lease of the
21 condominium.
22 5. The management contract, maintenance contract, and
23 other contracts for management of the association and
24 operation of the condominium and facilities used by the unit
25 owners having a service term in excess of 1 year, and any
26 management contracts that are renewable.
27 6. The estimated operating budget for the condominium
28 and a schedule of expenses for each type of unit, including
29 fees assessed pursuant to s. 718.113(1) for the maintenance of
30 limited common elements where such costs are shared only by
31 those entitled to use the limited common elements.

1 7. The lease of recreational and other facilities that
2 will be used only by unit owners of the subject condominium.

3 8. The lease of recreational and other common
4 facilities that will be used by unit owners in common with
5 unit owners of other condominiums.

6 9. The form of unit lease if the offer is of a
7 leasehold.

8 10. Any declaration of servitude of properties serving
9 the condominium but not owned by unit owners or leased to them
10 or the association.

11 11. If the development is to be built in phases or if
12 the association is to manage more than one condominium, a
13 description of the plan of phase development or the
14 arrangements for the association to manage two or more
15 condominiums.

16 12. If the condominium is a conversion of existing
17 improvements, the statements and disclosure required by s.
18 718.616.

19 13. The form of agreement for sale or lease of units.

20 14. A copy of the floor plan of the unit and the plot
21 plan showing the location of the residential buildings and the
22 recreation and other common areas.

23 15. A copy of all covenants and restrictions which
24 will affect the use of the property and which are not
25 contained in the foregoing.

26 16. If the developer is required by state or local
27 authorities to obtain acceptance or approval of any dock or
28 marina facilities intended to serve the condominium, a copy of
29 any such acceptance or approval acquired by the time of filing
30 with the division under s. 718.502(1), or a statement that
31 such acceptance or approval has not been acquired or received.

1 17. Evidence demonstrating that the developer has an
2 ownership, leasehold, or contractual interest in the land upon
3 which the condominium is to be developed.

4 (2) NONDEVELOPER DISCLOSURE.--

5 (a) Each unit owner who is not a developer as defined
6 by this chapter shall comply with the provisions of this
7 subsection prior to the sale of his or her unit. Each
8 prospective buyer ~~purchaser~~ who has entered into a contract
9 for the purchase of a condominium unit is entitled, at the
10 seller's expense, to a current copy of the declaration of
11 condominium, articles of incorporation of the association,
12 bylaws, and rules of the association, as well as a copy of the
13 question and answer sheet provided for by s. 718.504.

14 (b) If a person licensed under part I of chapter 475
15 provides to or otherwise obtains for a prospective buyer
16 ~~purchaser~~ the documents described in this subsection, the
17 person is not liable for any error or inaccuracy contained in
18 the documents.

19 (c) Each contract entered into after July 1, 1992, for
20 the resale of a residential unit shall contain in conspicuous
21 type either:

22 1. A clause which states: THE BUYER HEREBY
23 ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF
24 THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF
25 THE ASSOCIATION, BYLAWS, RULES OF THE ASSOCIATION, AND THE
26 QUESTION AND ANSWER SHEET MORE THAN 3 DAYS, EXCLUDING
27 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
28 THIS CONTRACT; or

29 2. A clause which states: THIS AGREEMENT IS VOIDABLE
30 BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION
31 TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND

1 LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT
2 BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE
3 DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS,
4 AND RULES OF THE ASSOCIATION, AND QUESTION AND ANSWER SHEET IF
5 SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE
6 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND
7 THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS,
8 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
9 BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION,
10 BYLAWS, RULES, AND QUESTION AND ANSWER SHEET IF REQUESTED IN
11 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE
12 AT CLOSING.

13

14 A contract that does not conform to the requirements of this
15 paragraph is voidable at the option of the buyer ~~purchaser~~
16 prior to closing.

17 (3) OTHER DISCLOSURE.--

18 (a) If residential condominium parcels are offered for
19 sale or lease prior to completion of construction of the units
20 and of improvements to the common elements, or prior to
21 completion of remodeling of previously occupied buildings, the
22 developer shall make available to each prospective buyer
23 ~~purchaser~~ or lessee, for his or her inspection at a place
24 convenient to the site, a copy of the complete plans and
25 specifications for the construction or remodeling of the unit
26 offered to him or her and of the improvements to the common
27 elements appurtenant to the unit.

28 (b) Sales brochures, if any, shall be provided to each
29 buyer ~~purchaser~~, and the following caveat in conspicuous type
30 shall be placed on the inside front cover or on the first page
31 containing text material of the sales brochure, or otherwise

1 conspicuously displayed: ORAL REPRESENTATIONS CANNOT BE
2 RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE
3 DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO
4 THIS BROCHURE AND TO THE DOCUMENTS REQUIRED BY SECTION
5 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A
6 BUYER OR LESSEE. If timeshare estates have been or may be
7 created with respect to any unit in the condominium, the sales
8 brochure shall contain the following statement in conspicuous
9 type: UNITS IN THIS CONDOMINIUM ARE SUBJECT TO TIMESHARE
10 ESTATES.

11 Section 6. Section 718.504, Florida Statutes, is
12 amended to read:

13 718.504 Prospectus or offering circular.--Every
14 developer of a residential condominium which contains more
15 than 20 residential units, or which is part of a group of
16 residential condominiums which will be served by property to
17 be used in common by unit owners of more than 20 residential
18 units, shall prepare a prospectus or offering circular and
19 file it with the Division of Florida Land Sales, Condominiums,
20 and Mobile Homes prior to entering into an enforceable
21 contract of purchase and sale of any unit or lease of a unit
22 for more than 5 years and shall furnish a copy of the
23 prospectus or offering circular to each buyer. In addition to
24 the prospectus or offering circular, each buyer shall be
25 furnished a separate page entitled "Frequently Asked Questions
26 and Answers," which shall be in accordance with a format
27 approved by the division. This page shall, in readable
28 language, inform prospective buyers ~~purchasers~~ regarding their
29 voting rights and unit use restrictions, including
30 restrictions on the leasing of a unit; shall indicate whether
31 and in what amount the unit owners or the association is

1 obligated to pay rent or land use fees for recreational or
2 other commonly used facilities; shall contain a statement
3 identifying that amount of assessment which, pursuant to the
4 budget, would be levied upon each unit type, exclusive of any
5 special assessments, and which shall further identify the
6 basis upon which assessments are levied, whether monthly,
7 quarterly, or otherwise; shall state and identify any court
8 cases in which the association is currently a party of record
9 in which the association may face liability in excess of
10 \$100,000; and which shall further state whether membership in
11 a recreational facilities association is mandatory, and if so,
12 shall identify the fees currently charged per unit type. The
13 division shall by rule require such other disclosure as in its
14 judgment will assist prospective buyers ~~purchasers~~. The
15 prospectus or offering circular may include more than one
16 condominium, although not all such units are being offered for
17 sale as of the date of the prospectus or offering circular.
18 The prospectus or offering circular must contain the following
19 information:

20 (1) The front cover or the first page must contain
21 only:

22 (a) The name of the condominium.

23 (b) The following statements in conspicuous type:

24 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS
25 IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM
26 UNIT.

27 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN
28 NATURE. A PROSPECTIVE BUYER ~~PURCHASER~~ SHOULD REFER TO ALL
29 REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND
30 SALES MATERIALS.

31

1 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS
2 CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER
3 TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR
4 CORRECT REPRESENTATIONS.

5 (2) Summary: The next page must contain all
6 statements required to be in conspicuous type in the
7 prospectus or offering circular.

8 (3) A separate index of the contents and exhibits of
9 the prospectus.

10 (4) Beginning on the first page of the text (not
11 including the summary and index), a description of the
12 condominium, including, but not limited to, the following
13 information:

14 (a) Its name and location.

15 (b) A description of the condominium property,
16 including, without limitation:

17 1. The number of buildings, the number of units in
18 each building, the number of bathrooms and bedrooms in each
19 unit, and the total number of units, if the condominium is not
20 a phase condominium, or the maximum number of buildings that
21 may be contained within the condominium, the minimum and
22 maximum numbers of units in each building, the minimum and
23 maximum numbers of bathrooms and bedrooms that may be
24 contained in each unit, and the maximum number of units that
25 may be contained within the condominium, if the condominium is
26 a phase condominium.

27 2. The page in the condominium documents where a copy
28 of the plot plan and survey of the condominium is located.

29 3. The estimated latest date of completion of
30 constructing, finishing, and equipping. In lieu of a date,
31 the description shall include a statement that the estimated

1 date of completion of the condominium is in the purchase
2 agreement and a reference to the article or paragraph
3 containing that information.

4 (c) The maximum number of units that will use
5 facilities in common with the condominium. If the maximum
6 number of units will vary, a description of the basis for
7 variation and the minimum amount of dollars per unit to be
8 spent for additional recreational facilities or enlargement of
9 such facilities. If the addition or enlargement of facilities
10 will result in a material increase of a unit owner's
11 maintenance expense or rental expense, if any, the maximum
12 increase and limitations thereon shall be stated.

13 (5)(a) A statement in conspicuous type describing
14 whether the condominium is created and being sold as fee
15 simple interests or as leasehold interests. If the condominium
16 is created or being sold on a leasehold, the location of the
17 lease in the disclosure materials shall be stated.

18 (b) If timeshare estates are or may be created with
19 respect to any unit in the condominium, a statement in
20 conspicuous type stating that timeshare estates are created
21 and being sold in units in the condominium.

22 (6) A description of the recreational and other
23 commonly used facilities that will be used only by unit owners
24 of the condominium, including, but not limited to, the
25 following:

26 (a) Each room and its intended purposes, location,
27 approximate floor area, and capacity in numbers of people.

28 (b) Each swimming pool, as to its general location,
29 approximate size and depths, approximate deck size and
30 capacity, and whether heated.

31

1 (c) Additional facilities, as to the number of each
2 facility, its approximate location, approximate size, and
3 approximate capacity.

4 (d) A general description of the items of personal
5 property and the approximate number of each item of personal
6 property that the developer is committing to furnish for each
7 room or other facility or, in the alternative, a
8 representation as to the minimum amount of expenditure that
9 will be made to purchase the personal property for the
10 facility.

11 (e) The estimated date when each room or other
12 facility will be available for use by the unit owners.

13 (f)1. An identification of each room or other facility
14 to be used by unit owners that will not be owned by the unit
15 owners or the association;

16 2. A reference to the location in the disclosure
17 materials of the lease or other agreements providing for the
18 use of those facilities; and

19 3. A description of the terms of the lease or other
20 agreements, including the length of the term; the rent
21 payable, directly or indirectly, by each unit owner, and the
22 total rent payable to the lessor, stated in monthly and annual
23 amounts for the entire term of the lease; and a description of
24 any option to purchase the property leased under any such
25 lease, including the time the option may be exercised, the
26 purchase price or how it is to be determined, the manner of
27 payment, and whether the option may be exercised for a unit
28 owner's share or only as to the entire leased property.

29 (g) A statement as to whether the developer may
30 provide additional facilities not described above; their
31 general locations and types; improvements or changes that may

1 be made; the approximate dollar amount to be expended; and the
2 maximum additional common expense or cost to the individual
3 unit owners that may be charged during the first annual period
4 of operation of the modified or added facilities.

5
6 Descriptions as to locations, areas, capacities, numbers,
7 volumes, or sizes may be stated as approximations or minimums.

8 (7) A description of the recreational and other
9 facilities that will be used in common with other
10 condominiums, community associations, or planned developments
11 which require the payment of the maintenance and expenses of
12 such facilities, either directly or indirectly, by the unit
13 owners. The description shall include, but not be limited to,
14 the following:

15 (a) Each building and facility committed to be built.

16 (b) Facilities not committed to be built except under
17 certain conditions, and a statement of those conditions or
18 contingencies.

19 (c) As to each facility committed to be built, or
20 which will be committed to be built upon the happening of one
21 of the conditions in paragraph (b), a statement of whether it
22 will be owned by the unit owners having the use thereof or by
23 an association or other entity which will be controlled by
24 them, or others, and the location in the exhibits of the lease
25 or other document providing for use of those facilities.

26 (d) The year in which each facility will be available
27 for use by the unit owners or, in the alternative, the maximum
28 number of unit owners in the project at the time each of all
29 of the facilities is committed to be completed.

30 (e) A general description of the items of personal
31 property, and the approximate number of each item of personal

1 property, that the developer is committing to furnish for each
2 room or other facility or, in the alternative, a
3 representation as to the minimum amount of expenditure that
4 will be made to purchase the personal property for the
5 facility.

6 (f) If there are leases, a description thereof,
7 including the length of the term, the rent payable, and a
8 description of any option to purchase.

9
10 Descriptions shall include location, areas, capacities,
11 numbers, volumes, or sizes and may be stated as approximations
12 or minimums.

13 (8) Recreation lease or associated club membership:

14 (a) If any recreational facilities or other facilities
15 offered by the developer and available to, or to be used by,
16 unit owners are to be leased or have club membership
17 associated, the following statement in conspicuous type shall
18 be included: THERE IS A RECREATIONAL FACILITIES LEASE
19 ASSOCIATED WITH THIS CONDOMINIUM; or, THERE IS A CLUB
20 MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. There shall be a
21 reference to the location in the disclosure materials where
22 the recreation lease or club membership is described in
23 detail.

24 (b) If it is mandatory that unit owners pay a fee,
25 rent, dues, or other charges under a recreational facilities
26 lease or club membership for the use of facilities, there
27 shall be in conspicuous type the applicable statement:

28 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS
29 MANDATORY FOR UNIT OWNERS; or

30
31

1 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF
2 OWNERSHIP, TO BE LESSEES UNDER THE RECREATIONAL FACILITIES
3 LEASE; or

4 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE
5 COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP,
6 REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES
7 LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

8 4. A similar statement of the nature of the
9 organization or the manner in which the use rights are
10 created, and that unit owners are required to pay.

11
12 Immediately following the applicable statement, the location
13 in the disclosure materials where the development is described
14 in detail shall be stated.

15 (c) If the developer, or any other person other than
16 the unit owners and other persons having use rights in the
17 facilities, reserves, or is entitled to receive, any rent,
18 fee, or other payment for the use of the facilities, then
19 there shall be the following statement in conspicuous type:
20 THE UNIT OWNERS OR THE ASSOCIATION(S) MUST PAY RENT OR LAND
21 USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES.
22 Immediately following this statement, the location in the
23 disclosure materials where the rent or land use fees are
24 described in detail shall be stated.

25 (d) If, in any recreation format, whether leasehold,
26 club, or other, any person other than the association has the
27 right to a lien on the units to secure the payment of
28 assessments, rent, or other exactions, there shall appear a
29 statement in conspicuous type in substantially the following
30 form:

31

1 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
2 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE
3 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE
4 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

5 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO
6 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING
7 DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE
8 RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S
9 FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF
10 THE LIEN.

11
12 Immediately following the applicable statement, the location
13 in the disclosure materials where the lien or lien right is
14 described in detail shall be stated.

15 (9) If the developer or any other person has the right
16 to increase or add to the recreational facilities at any time
17 after the establishment of the condominium whose unit owners
18 have use rights therein, without the consent of the unit
19 owners or associations being required, there shall appear a
20 statement in conspicuous type in substantially the following
21 form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED
22 WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S).

23 Immediately following this statement, the location in the
24 disclosure materials where such reserved rights are described
25 shall be stated.

26 (10) A statement of whether the developer's plan
27 includes a program of leasing units rather than selling them,
28 or leasing units and selling them subject to such leases. If
29 so, there shall be a description of the plan, including the
30 number and identification of the units and the provisions and
31

1 term of the proposed leases, and a statement in boldfaced type
2 that: THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

3 (11) The arrangements for management of the
4 association and maintenance and operation of the condominium
5 property and of other property that will serve the unit owners
6 of the condominium property, and a description of the
7 management contract and all other contracts for these purposes
8 having a term in excess of 1 year, including the following:

9 (a) The names of contracting parties.

10 (b) The term of the contract.

11 (c) The nature of the services included.

12 (d) The compensation, stated on a monthly and annual
13 basis, and provisions for increases in the compensation.

14 (e) A reference to the volumes and pages of the
15 condominium documents and of the exhibits containing copies of
16 such contracts.

17

18 Copies of all described contracts shall be attached as
19 exhibits. If there is a contract for the management of the
20 condominium property, then a statement in conspicuous type in
21 substantially the following form shall appear, identifying the
22 proposed or existing contract manager: THERE IS (IS TO BE) A
23 CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH
24 (NAME OF THE CONTRACT MANAGER). Immediately following this
25 statement, the location in the disclosure materials of the
26 contract for management of the condominium property shall be
27 stated.

28 (12) If the developer or any other person or persons
29 other than the unit owners has the right to retain control of
30 the board of administration of the association for a period of
31 time which can exceed 1 year after the closing of the sale of

1 a majority of the units in that condominium to persons other
2 than successors or alternate developers, then a statement in
3 conspicuous type in substantially the following form shall be
4 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO
5 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE
6 UNITS HAVE BEEN SOLD. Immediately following this statement,
7 the location in the disclosure materials where this right to
8 control is described in detail shall be stated.

9 (13) If there are any restrictions upon the sale,
10 transfer, conveyance, or leasing of a unit, then a statement
11 in conspicuous type in substantially the following form shall
12 be included: THE SALE, LEASE, OR TRANSFER OF UNITS IS
13 RESTRICTED OR CONTROLLED. Immediately following this
14 statement, the location in the disclosure materials where the
15 restriction, limitation, or control on the sale, lease, or
16 transfer of units is described in detail shall be stated.

17 (14) If the condominium is part of a phase project,
18 the following information shall be stated:

19 (a) A statement in conspicuous type in substantially
20 the following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL
21 LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately
22 following this statement, the location in the disclosure
23 materials where the phasing is described shall be stated.

24 (b) A summary of the provisions of the declaration
25 which provide for the phasing.

26 (c) A statement as to whether or not residential
27 buildings and units which are added to the condominium may be
28 substantially different from the residential buildings and
29 units originally in the condominium. If the added residential
30 buildings and units may be substantially different, there
31 shall be a general description of the extent to which such

1 added residential buildings and units may differ, and a
2 statement in conspicuous type in substantially the following
3 form shall be included: BUILDINGS AND UNITS WHICH ARE ADDED TO
4 THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER
5 BUILDINGS AND UNITS IN THE CONDOMINIUM. Immediately following
6 this statement, the location in the disclosure materials where
7 the extent to which added residential buildings and units may
8 substantially differ is described shall be stated.

9 (d) A statement of the maximum number of buildings
10 containing units, the maximum and minimum numbers of units in
11 each building, the maximum number of units, and the minimum
12 and maximum square footage of the units that may be contained
13 within each parcel of land which may be added to the
14 condominium.

15 (15) If the condominium is created by conversion of
16 existing improvements, the following information shall be
17 stated:

18 (a) The information required by s. 718.616.

19 (b) A caveat that there are no express warranties
20 unless they are stated in writing by the developer.

21 (16) A summary of the restrictions, if any, to be
22 imposed on units concerning the use of any of the condominium
23 property, including statements as to whether there are
24 restrictions upon children and pets, and reference to the
25 volumes and pages of the condominium documents where such
26 restrictions are found, or if such restrictions are contained
27 elsewhere, then a copy of the documents containing the
28 restrictions shall be attached as an exhibit.

29 (17) If there is any land that is offered by the
30 developer for use by the unit owners and that is neither owned
31 by them nor leased to them, the association, or any entity

1 controlled by unit owners and other persons having the use
2 rights to such land, a statement shall be made as to how such
3 land will serve the condominium. If any part of such land
4 will serve the condominium, the statement shall describe the
5 land and the nature and term of service, and the declaration
6 or other instrument creating such servitude shall be included
7 as an exhibit.

8 (18) The manner in which utility and other services,
9 including, but not limited to, sewage and waste disposal,
10 water supply, and storm drainage, will be provided and the
11 person or entity furnishing them.

12 (19) An explanation of the manner in which the
13 apportionment of common expenses and ownership of the common
14 elements has been determined.

15 (20) An estimated operating budget for the condominium
16 and the association, and a schedule of the unit owner's
17 expenses shall be attached as an exhibit and shall contain the
18 following information:

19 (a) The estimated monthly and annual expenses of the
20 condominium and the association that are collected from unit
21 owners by assessments.

22 (b) The estimated monthly and annual expenses of each
23 unit owner for a unit, other than common expenses paid by all
24 unit owners, payable by the unit owner to persons or entities
25 other than the association, as well as to the association,
26 including fees assessed pursuant to s. 718.113(1) for
27 maintenance of limited common elements where such costs are
28 shared only by those entitled to use the limited common
29 element, and the total estimated monthly and annual expense.
30 There may be excluded from this estimate expenses which are
31 not provided for or contemplated by the condominium documents,

1 including, but not limited to, the costs of private telephone;
2 maintenance of the interior of condominium units, which is not
3 the obligation of the association; maid or janitorial services
4 privately contracted for by the unit owners; utility bills
5 billed directly to each unit owner for utility services to his
6 or her unit; insurance premiums other than those incurred for
7 policies obtained by the condominium; and similar personal
8 expenses of the unit owner. A unit owner's estimated payments
9 for assessments shall also be stated in the estimated amounts
10 for the times when they will be due.

11 (c) The estimated items of expenses of the condominium
12 and the association, except as excluded under paragraph (b),
13 including, but not limited to, the following items, which
14 shall be stated either as an association expense collectible
15 by assessments or as unit owners' expenses payable to persons
16 other than the association:

- 17 1. Expenses for the association and condominium:
 - 18 a. Administration of the association.
 - 19 b. Management fees.
 - 20 c. Maintenance.
 - 21 d. Rent for recreational and other commonly used
22 facilities.
 - 23 e. Taxes upon association property.
 - 24 f. Taxes upon leased areas.
 - 25 g. Insurance.
 - 26 h. Security provisions.
 - 27 i. Other expenses.
 - 28 j. Operating capital.
 - 29 k. Reserves.
 - 30 l. Fees payable to the division.
- 31 2. Expenses for a unit owner:

1 a. Rent for the unit, if subject to a lease.

2 b. Rent payable by the unit owner directly to the
3 lessor or agent under any recreational lease or lease for the
4 use of commonly used facilities, which use and payment is a
5 mandatory condition of ownership and is not included in the
6 common expense or assessments for common maintenance paid by
7 the unit owners to the association.

8 (d) The estimated amounts shall be stated for a period
9 of at least 12 months and may distinguish between the period
10 prior to the time unit owners other than the developer elect a
11 majority of the board of administration and the period after
12 that date.

13 (21) A schedule of estimated closing expenses to be
14 paid by a buyer or lessee of a unit and a statement of whether
15 title opinion or title insurance policy is available to the
16 buyer and, if so, at whose expense.

17 (22) The identity of the developer and the chief
18 operating officer or principal directing the creation and sale
19 of the condominium and a statement of its and his or her
20 experience in this field.

21 (23) Copies of the following, to the extent they are
22 applicable, shall be included as exhibits:

23 (a) The declaration of condominium, or the proposed
24 declaration if the declaration has not been recorded.

25 (b) The articles of incorporation creating the
26 association.

27 (c) The bylaws of the association.

28 (d) The ground lease or other underlying lease of the
29 condominium.

30 (e) The management agreement and all maintenance and
31 other contracts for management of the association and

1 operation of the condominium and facilities used by the unit
2 owners having a service term in excess of 1 year.

3 (f) The estimated operating budget for the condominium
4 and the required schedule of unit owners' expenses.

5 (g) A copy of the floor plan of the unit and the plot
6 plan showing the location of the residential buildings and the
7 recreation and other common areas.

8 (h) The lease of recreational and other facilities
9 that will be used only by unit owners of the subject
10 condominium.

11 (i) The lease of facilities used by owners and others.

12 (j) The form of unit lease, if the offer is of a
13 leasehold.

14 (k) A declaration of servitude of properties serving
15 the condominium but not owned by unit owners or leased to them
16 or the association.

17 (l) The statement of condition of the existing
18 building or buildings, if the offering is of units in an
19 operation being converted to condominium ownership.

20 (m) The statement of inspection for termite damage and
21 treatment of the existing improvements, if the condominium is
22 a conversion.

23 (n) The form of agreement for sale or lease of units.

24 (o) A copy of the agreement for escrow of payments
25 made to the developer prior to closing.

26 (p) A copy of the documents containing any
27 restrictions on use of the property required by subsection
28 (16).

29 (24) Any prospectus or offering circular complying,
30 prior to the effective date of this act, with the provisions
31 of former ss. 711.69 and 711.802 may continue to be used

1 without amendment or may be amended to comply with the
2 provisions of this chapter.

3 (25) A brief narrative description of the location and
4 effect of all existing and intended easements located or to be
5 located on the condominium property other than those described
6 in the declaration.

7 (26) If the developer is required by state or local
8 authorities to obtain acceptance or approval of any dock or
9 marina facilities intended to serve the condominium, a copy of
10 any such acceptance or approval acquired by the time of filing
11 with the division under s. 718.502(1) or a statement that such
12 acceptance or approval has not been acquired or received.

13 (27) Evidence demonstrating that the developer has an
14 ownership, leasehold, or contractual interest in the land upon
15 which the condominium is to be developed.

16 Section 7. Subsection (1) of section 718.506, Florida
17 Statutes, is amended to read:

18 718.506 Publication of false and misleading
19 information.--

20 (1) Any person who, in reasonable reliance upon any
21 material statement or information that is false or misleading
22 and published by or under authority from the developer in
23 advertising and promotional materials, including, but not
24 limited to, a prospectus, the items required as exhibits to a
25 prospectus, brochures, and newspaper advertising, pays
26 anything of value toward the purchase of a condominium parcel
27 located in this state shall have a cause of action to rescind
28 the contract or collect damages from the developer for his or
29 her loss prior to the closing of the transaction. After the
30 closing of the transaction, the buyer ~~purchaser~~ shall have a
31 cause of action against the developer for damages under this

1 section from the time of closing until 1 year after the date
2 upon which the last of the events described in paragraphs (a)
3 through (d) shall occur:
4 (a) The closing of the transaction;
5 (b) The first issuance by the applicable governmental
6 authority of a certificate of occupancy or other evidence of
7 sufficient completion of construction of the building
8 containing the unit to allow lawful occupancy of the unit. In
9 counties or municipalities in which certificates of occupancy
10 or other evidences of completion sufficient to allow lawful
11 occupancy are not customarily issued, for the purpose of this
12 section, evidence of lawful occupancy shall be deemed to be
13 given or issued upon the date that such lawful occupancy of
14 the unit may first be allowed under prevailing applicable
15 laws, ordinances, or statutes;
16 (c) The completion by the developer of the common
17 elements and such recreational facilities, whether or not the
18 same are common elements, which the developer is obligated to
19 complete or provide under the terms of the written contract or
20 written agreement for purchase or lease of the unit; or
21 (d) In the event there shall not be a written contract
22 or agreement for sale or lease of the unit, then the
23 completion by the developer of the common elements and such
24 recreational facilities, whether or not the same are common
25 elements, which the developer would be obligated to complete
26 under any rule of law applicable to the developer's
27 obligation.
28
29 Under no circumstances shall a cause of action created or
30 recognized under this section survive for a period of more
31 than 5 years after the closing of the transaction.

1 Section 8. Section 718.621, Florida Statutes, is
2 created to read:

3 718.621 Rulemaking authority.--The division is
4 authorized to adopt rules as necessary to administer and
5 ensure compliance with developers' obligations with respect to
6 condominium conversions concerning the filing and noticing of
7 intended conversion, rental agreement extensions, rights of
8 first refusal, and disclosure and post-purchase protections.

9 Section 9. This act shall take effect upon becoming a
10 law.

11 *****

12 *****

13 SENATE SUMMARY

14 Revises rulemaking authority of the Department of
15 Business and Professional Regulation. Provides for
16 condominium association boards to meet by telephone.
17 Provides for the transition from developer control to a
18 unit owner controlled association and the merger and
19 dissolution of such associations. Establishes
20 requirements for the closure on a contract for sale or a
21 lease that exceeds five years. Provides for filing and
22 review requirements. Changes references from "purchaser"
23 to "buyer." Provides requirements for condominium
24 conversions, relating to disclosure. (See bill for
25 details.)
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